

# ***Air Force Reserve Command***

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***Integrity - Service - Excellence***

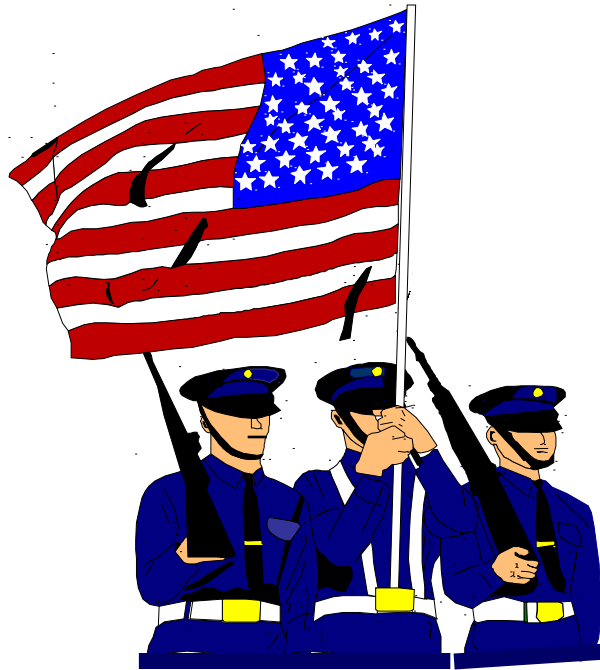


## **Retirements**



# ***Will You Be Able To Retire?***

**Prepare now so you do not have to worry late**



**What you do today affects tomorrow**

***Integrity - Service - Excellence***



# *Retirement Life Cycle*



**Retired Pay**

**Retired Reserve**

**RCSBP**

**Notification of  
Eligibility  
for Pay Letter**



# *Retirement Life Cycle*

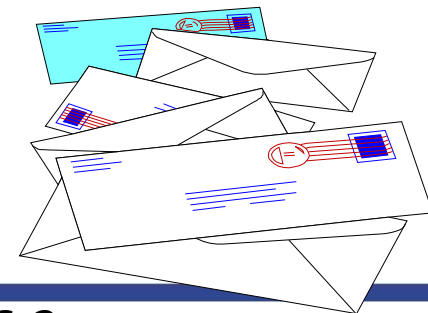


**Notification of  
Eligibility  
for Pay Letter**



# *Notification Letter* *"20-Year Letter"*

- **Eligibility Requirements**
  - **20 years of satisfactory service**
- **Satisfactory service**
  - **Minimum of 50 points earned through a combination of active duty, IDT, ECI, and membership points during a specific 12 month period (R/R Year)**
  - **90 maximum Reserve points (IDT, ECI, membership)**
- **Receive approximately 120 days after R/R close-out for 20<sup>th</sup> year**
- **Call ARPC Retirements Branch**
  - **1-800-525-0102**





# *Retirement Life Cycle*



**RCSBP**

**Notification of  
Eligibility  
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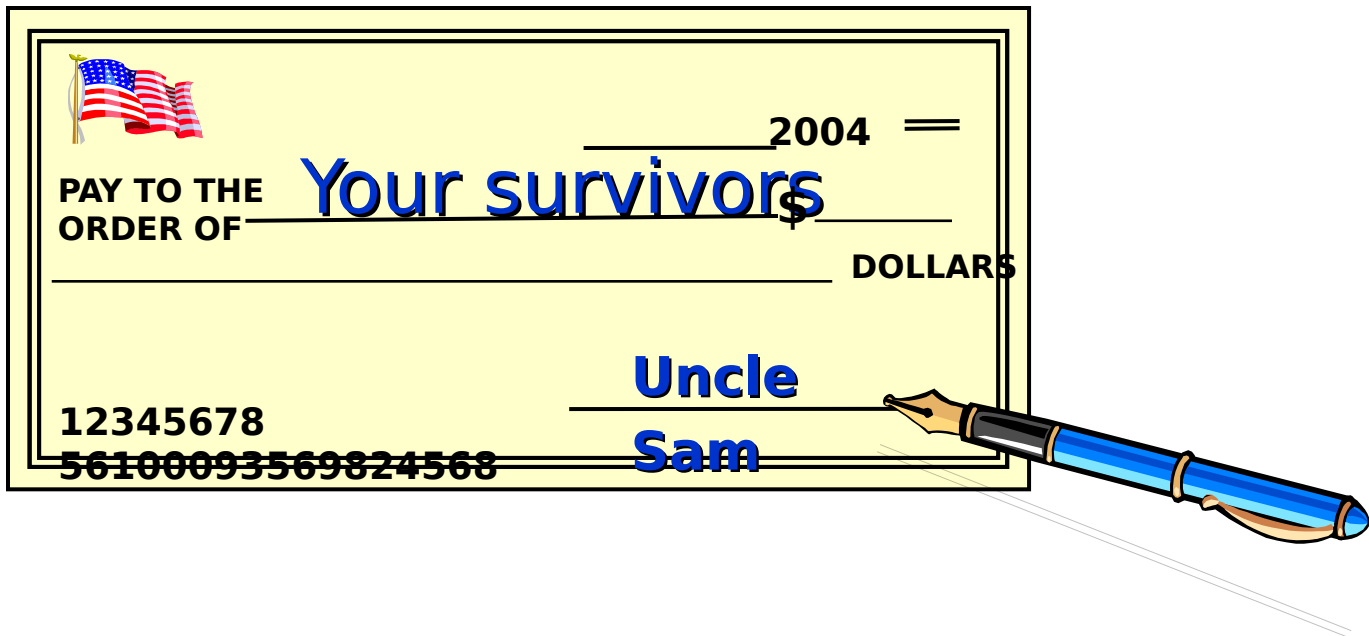
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# *Reserve Component Survivor Benefit Plan (RCSBP)*

## ■ Purpose

- To provide beneficiaries a portion of a member's retired pay





# ***RCSBP***

## ■ **Timing:**

- **Decision made upon receipt of 20 year notification letter**
- **Premiums don't start until age 60 - upon receiving pay**

## ■ **Three options: A, B or C**







# ***RCSBP - Three Options***

- **Option A**
  - Declines to make an election until age 60
- **Option B**
  - Deferred annuity - payable upon member's 60th birthday
- **Option C**
  - Annuity effective immediately





# ***RCSBP***

- **Failure to respond within the 90 days:**
  - **If you do have eligible family members**
    - Automatic Option C coverage for your spouse and/or children
    - You will be responsible for the premiums
  - **If you do not have dependents**
    - Automatic Option A coverage
  
- **Failure to provide spousal concurrence:**
  - **Automatic Option C coverage for your spouse and/or children**
  - **You will be responsible for the premiums**



# ***RCSBP Annuity Coverage***

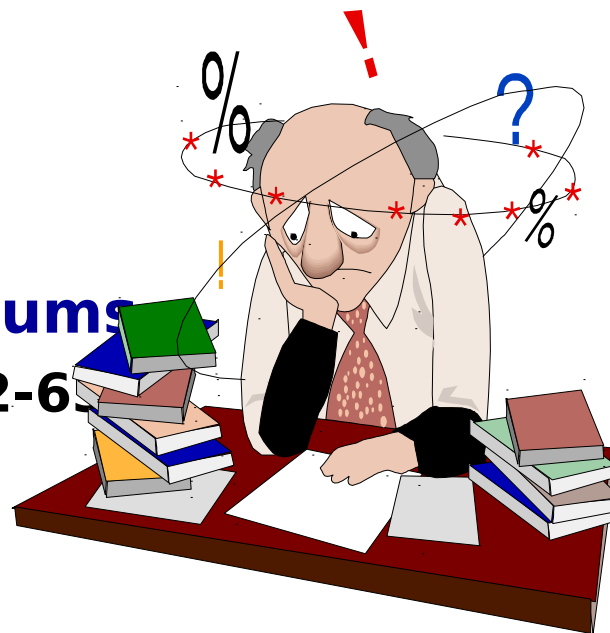
- **Spouse only**
- **Spouse and children**
- **Children only - until 18 (22 if full time student)**
- **Former spouse only**
- **Former spouse and children**
- **Person with insurable interest**





# Changes

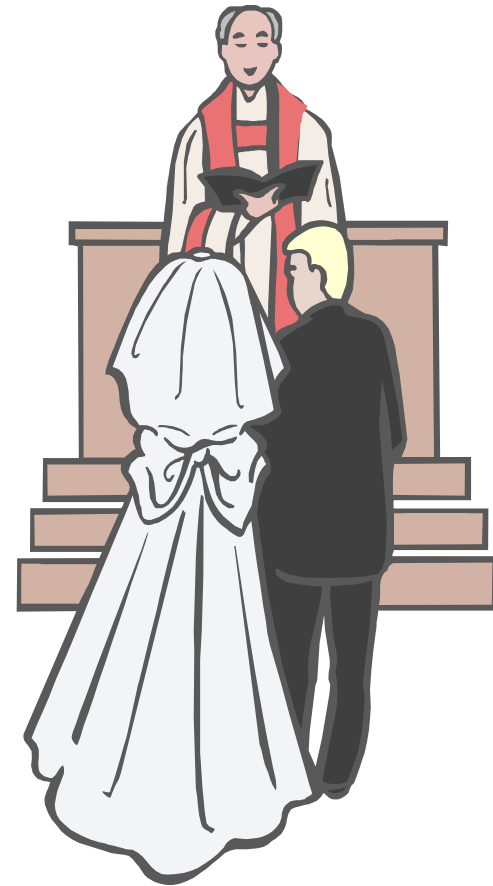
- **Limited Changes**
  - **Marriage**
  - **Birth of Children**
  - **Divorce**
  - **Death of beneficiary**
- **Cancel**
  - **Must pay 2 years of premiums**
    - **Normally between ages 62-65**





# *Just Married*

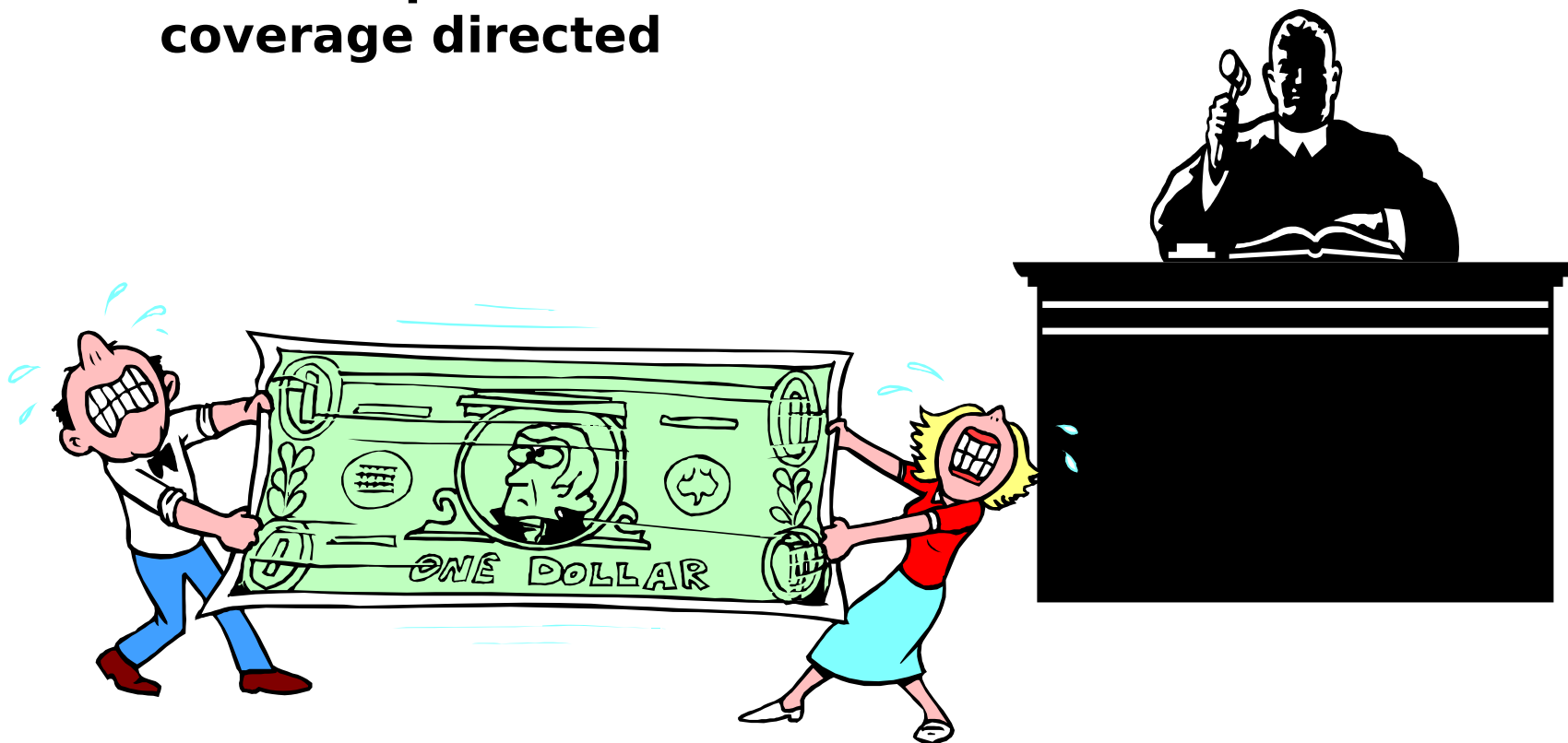
- **Single when eligible**
- **One year to elect coverage**





# *Divorce Court*

- **Former spouse coverage directed**





# *Death of Beneficiary*

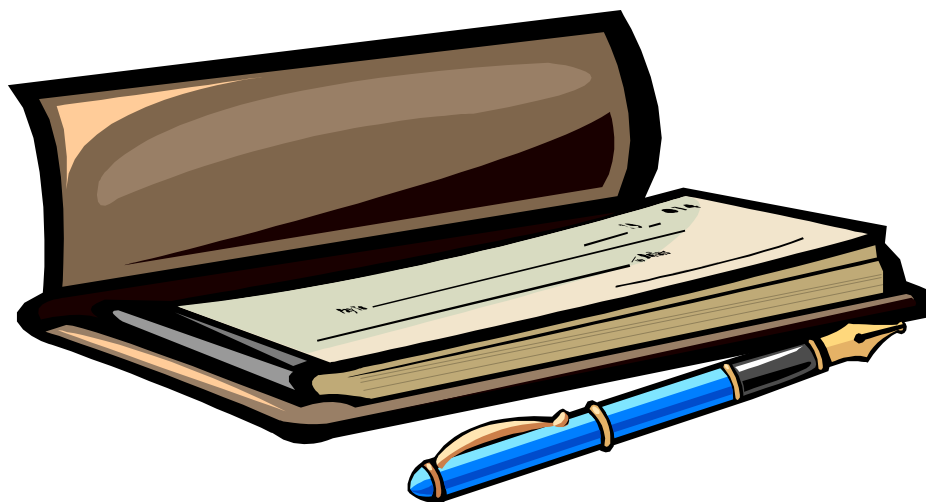
- **Notify ARPC “Entitlements”**
- **Coverage suspended**
- **No cost at 60**





# *Cost of Coverage*

- **Member's age**
- **Beneficiary's age**
- **Coverage selected**





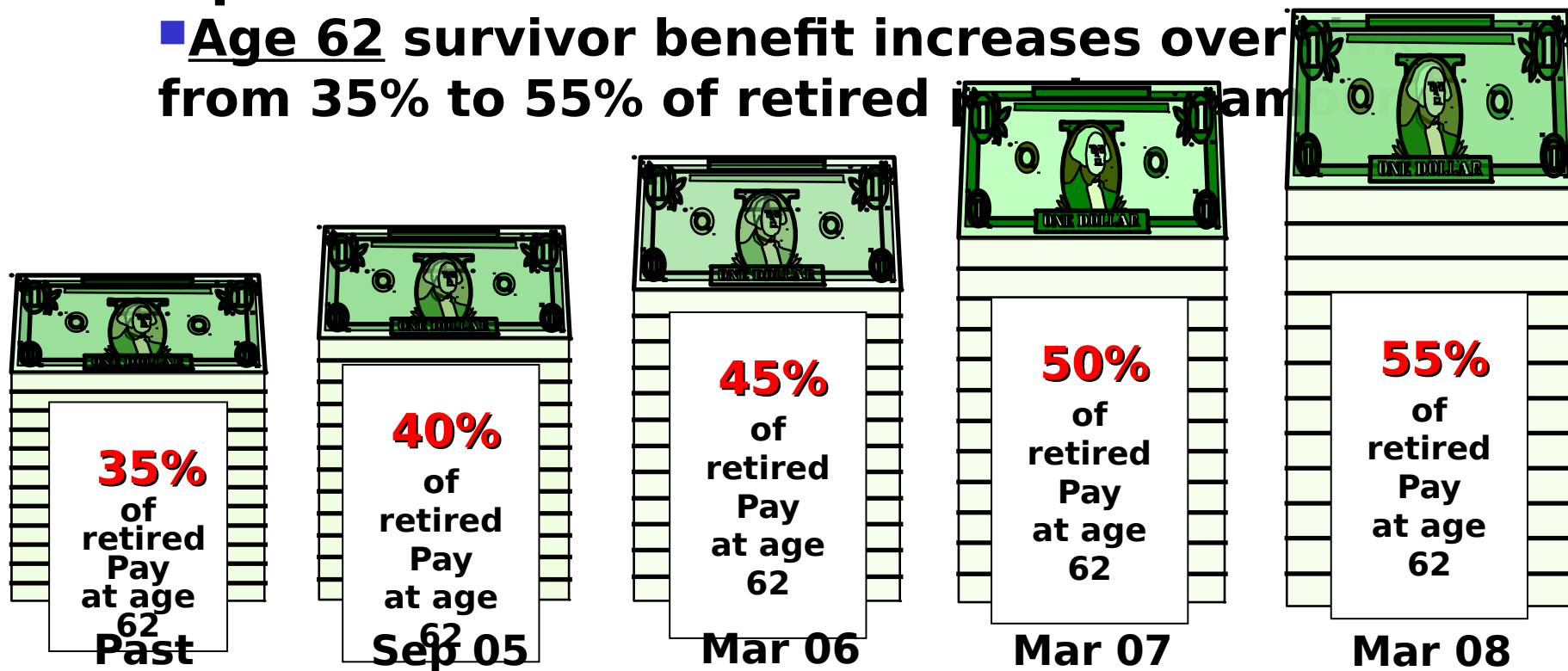


# *Annuity for Beneficiary*

- Elections after 1 Nov 04 - Annuity 55%

- Phased Elimination of Two-Tier Annuity Computation

- Age 62 survivor benefit increases over time from 35% to 55% of retired pay





# RCSBP Calculation

## MEMBER INFORMATION

Pay Grade:	E-7	Election Date:	May 26, 2005
Years of Service:	Over 26	Beneficiary:	Spouse and Children (0.00014)
Total Points:	3000	Supplemental:	0% (0.0248)(0.0251)(0.0100)
Member's Birth:	February 20, 1962	Spouse's Age:	40 (0.0298)(0.0467)
Age at Election:	43	Child's Age:	13

## RCSBP OPTION ESTIMATES

	A. Defer Election	B. Deferred Annuity	C. Immediate Annuity
Base Retired Pay	831.00	831.00	831.00
Desired Coverage	831.00	831.00	831.00
Basic SBP cost	- 54.13 *	- 54.13	- 54.13
RCSBP cost		- 24.76	- 38.81
Supplemental cost	- 0.00	- 0.00	- 0.00
Total deductions	54.13 *	78.89	92.94
Net retired pay	776.87	752.11	738.06
Annuity		443.43	435.70

January 2005 Pay Table (0.27708 point value)  
BRP factor: 1320    Index Amount: 616

**\*SBP cost reflected - if  
elected**

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# RCSBP Calculation

## MEMBER INFORMATION

Pay Grade:	O-5	Election Date:	May 26, 2005
Years of Service:	Over 22	Beneficiary:	Spouse and Children (0.00014)
Total Points:	3000	Supplemental:	0% (0.0248)(0.0251)(0.0100)
Member's Birth:	February 20, 1962	Spouse's Age:	40 (0.0298)(0.0467)
Age at Election:	43	Child's Age:	13

## RCSBP OPTION ESTIMATES

	A. Defer Election	B. Deferred Annuity	C. Immediate Annuity
Base Retired Pay	1457.00	1457.00	1457.00
Desired Coverage	1457.00	1457.00	1457.00
Basic SBP cost	- 94.91 *	- 94.91	- 94.91
RCSBP cost		- 43.42	- 68.04
Supplemental cost	- 0.00	- 0.00	- 0.00
Total deductions	94.91 *	138.33	162.95
Net retired pay	1362.09	1318.67	1294.05
Annuity		777.47	763.93

January 2005 Pay Table (0.48594 point value)

BRP factor: 1320 Index Amount: 616

**\*SBP cost reflected - if**

**elected Integrity - Service - Excellence**



# ***Benefits Are Not Tied to RCSBP Participation***



**Commissary  
privileges**

**MWR Facilities**



**Golf course**



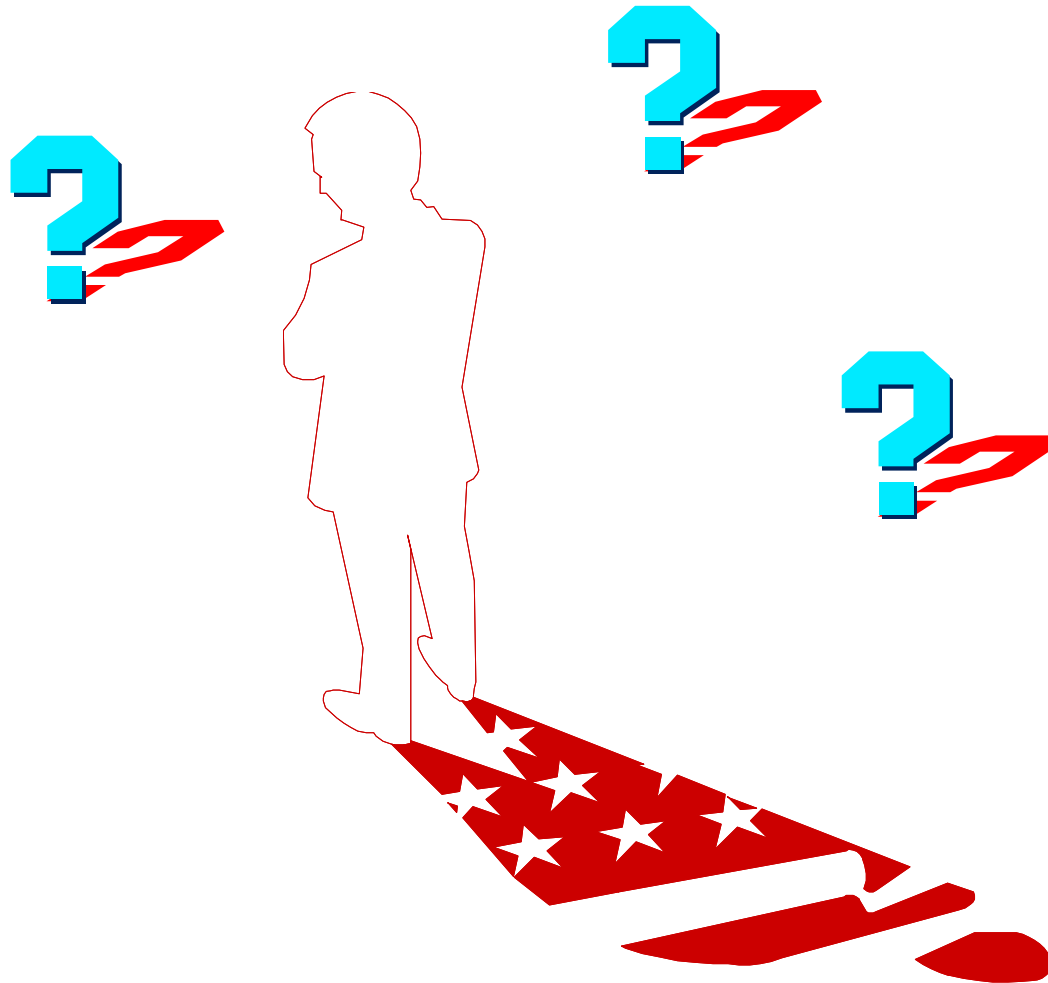
# *ARPC Home Page*

**Compute the cost of  
RCSBP  
Located on our website at  
[arpc.afrc.af.mil](http://arpc.afrc.af.mil)**





# *Questions?*





# *Retirement Life Cycle*



**Retired Reserve**

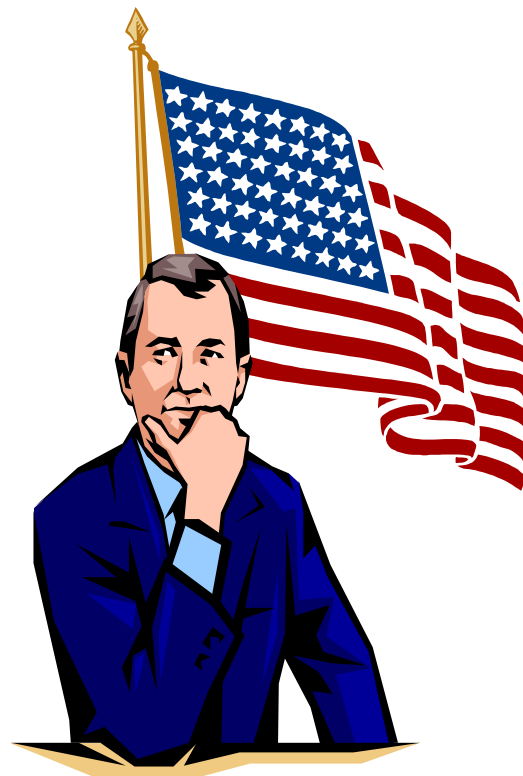
**RCSBP**

**Notification of  
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# *Retired Reserve*

- **Must meet qualification**
  - **20 years satisfactory service**







# ***Retired Reserve***

- **Voluntary Retirement**
  - **Must apply by submitting AF Form 131**
  
- **Involuntary Separation**
  - **Transfer is automatic - no need to apply**
    - **Age**
    - **Maximum service**



# *Retired Reserve*

- **U.S. Flag presented at no cost to member**
  - **AFRC and ANG unit members provided flag by servicing Unit**
  - **Individual Mobilization Augmentees and Individual Ready Reservists provided flag by ARPC**





# *Retired Reserve*

- **Highest grade held**
- **Grade approval authority:**
  - **ARPC/SAF**
  - **Only SAF can approve grade lower than HGH**



# *Retired Reserve*

- **Officer time-in-grade**

- **Voluntary retirement**

- Lt Col and above, three **satisfactory service** years TIG
    - Maj and below, six **satisfactory service** months TIG

- **Retirement - Involuntary Separation**

- All officers separated due to age or MSD, six months TIG

- **Enlisted time-in-grade**

- **ANG**

- Service commitment policy for promotion for top three - 2 years

- **Reserve**

- New reserve service commitment policy
      - In-residence training (all grades) - 3 years
      - Promotions for top three - 2 years



# *Retired Reserve Gray-Area Benefits*



**Commissary  
privileges**



**Hobby shop**

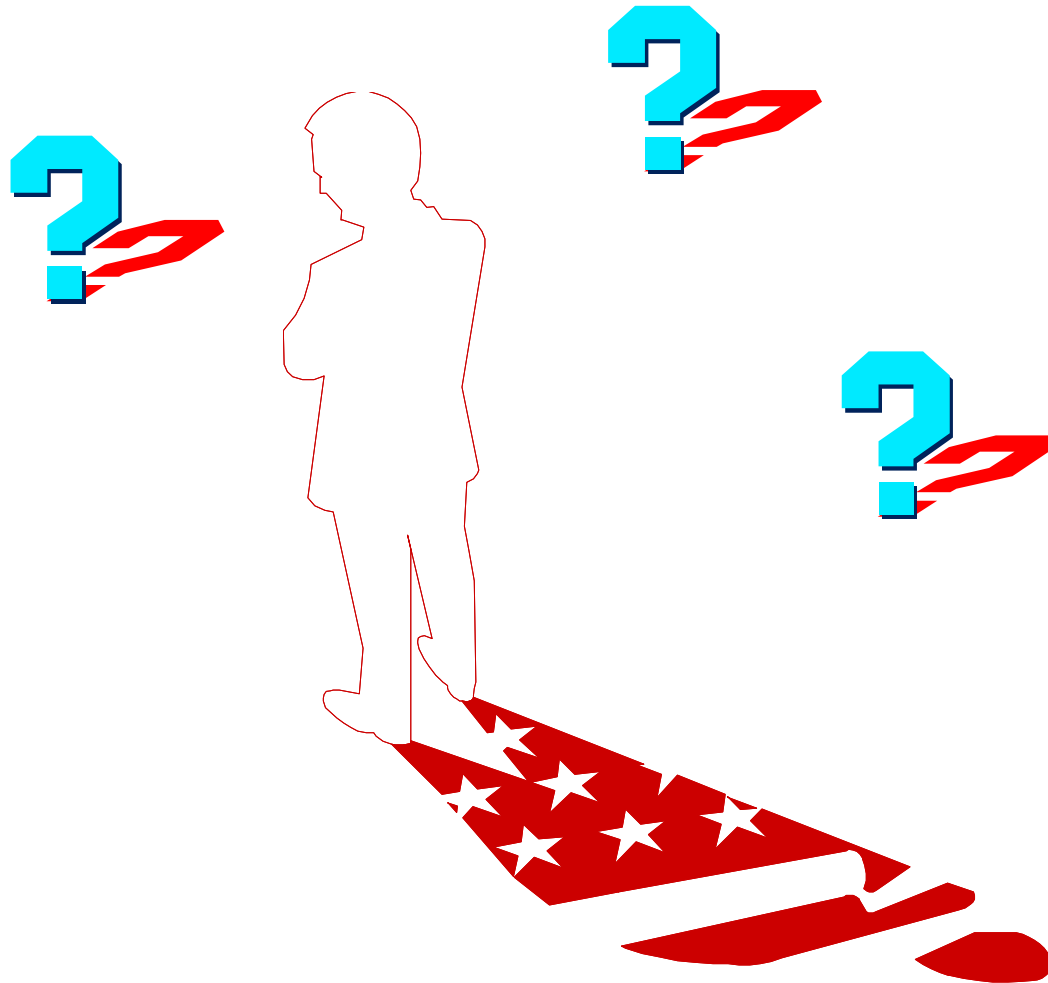


**Golf course**



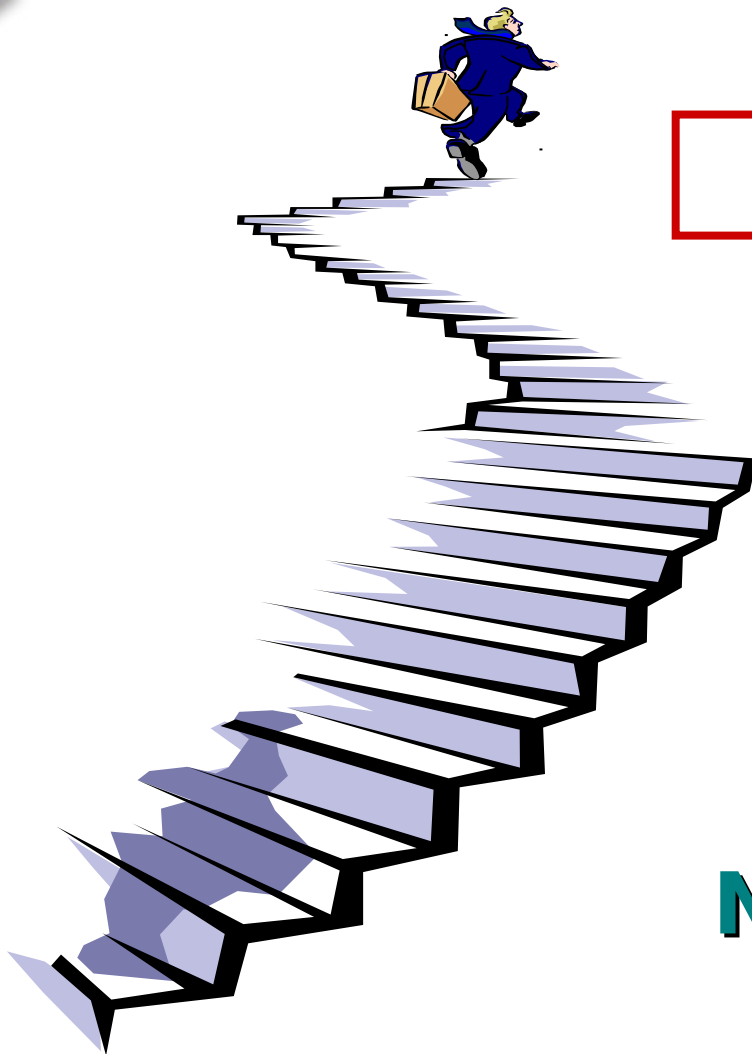


# *Questions?*





# *Retirement Life Cycle*



**Retired Pay**

**Retired Reserve**

**RCSBP**

**Notification of  
Eligibility  
for Pay Letter**



# *Retired Pay Reserve Members*







# *Retired Pay*

- **When will I see my money?**
  - **Age 60**
  - **Apply**





# ***Retired Pay - Forms***

**Retirement Branch will  
send Pay Application  
Forms about 4 months  
prior to age 60**

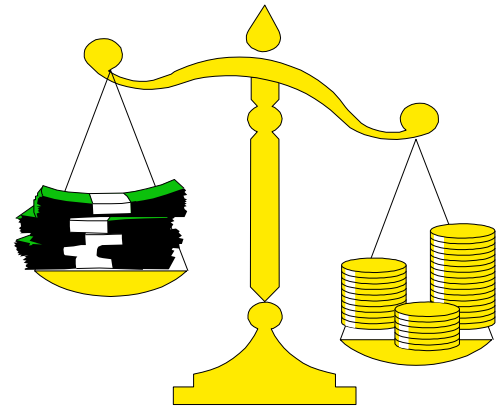
**Make sure your  
address is always  
current!**





# ***Retired Member - Pay***

- **If initial entry into military service is:**
  - **Prior to 8 Sep 80**
    - Pay scale in effect on member's 60<sup>th</sup> birthday
  - **On or after 8 Sep 80**
    - Average of the last 3 years of pay scales in effect prior to your reaching age 60
    - Academy time, delayed enlistment (DEP), enlistment as a Reserve in senior ROTC are included





# ***Retired Pay Computation Formula***

**Total retirement points x point value = monthly retired pay**

**Examples - 2006 pay scale :**

**MSgt (E7)**

**3,000 retirement points**

**26 years of service**

**$3,000 \times .28567 = \$857$  per month**

**Lt Col (O5)**

**3,000 retirement points**


**22 years of service**

**$3,000 \times .50100 = \$1,503$  per month**



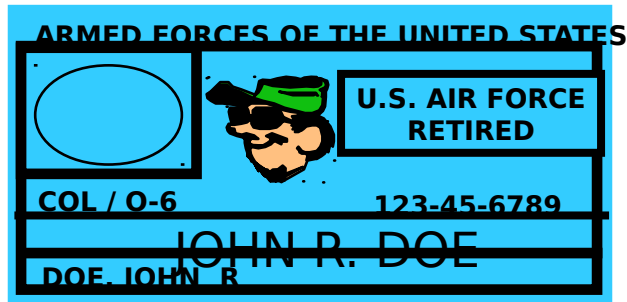
# ***Retired Pay***

## ***COLA Increases***





# *Retired Pay - Benefits*



**New identification card**



**Medical until age 65  
Tricare for Life option at age 65**

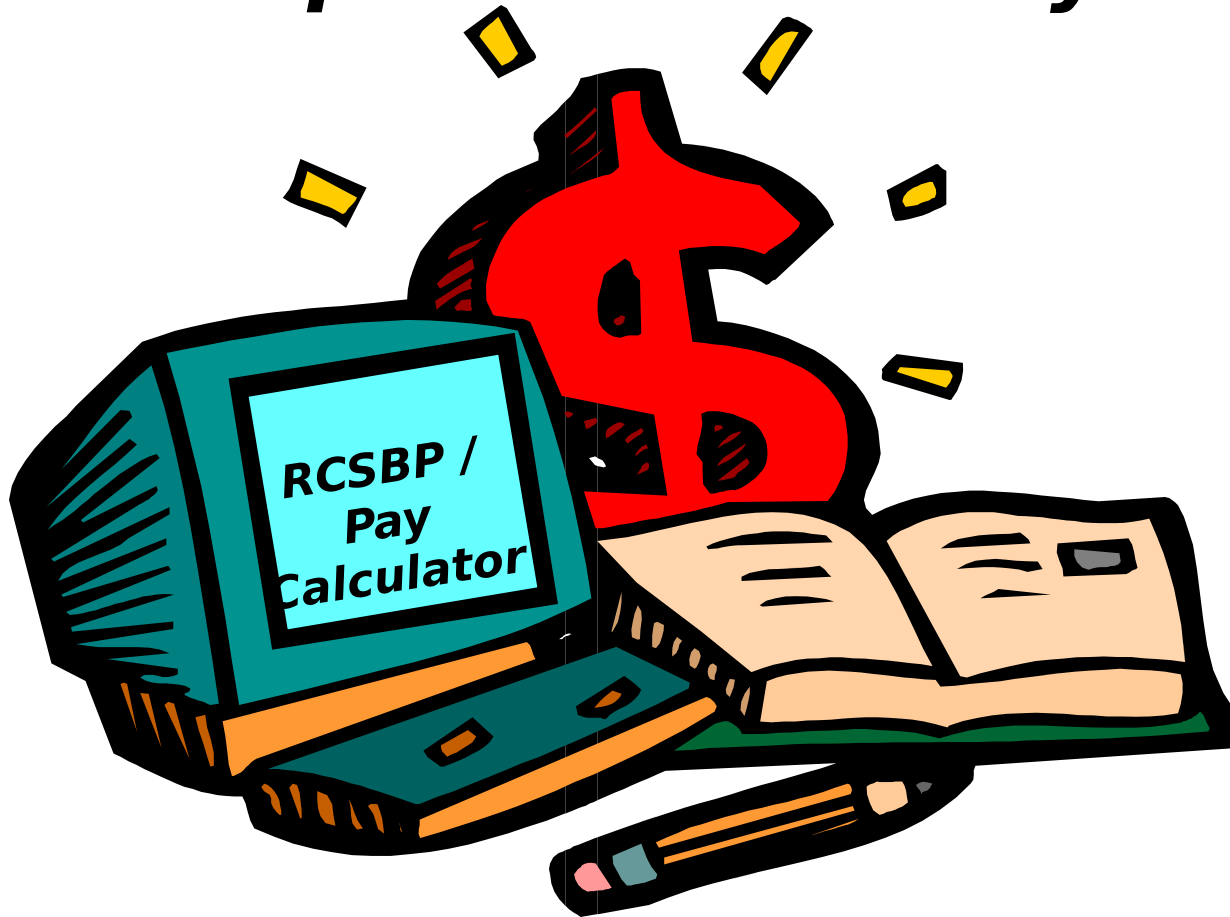
**Expanded  
Space A Travel**





# *ARPC Home Page*

## ***Compute Retired Pay***



**located on our website at: [arpc.afrc.af.mil](http://arpc.afrc.af.mil)**



# *Questions??*



# AIR FORCE RESERVE

*ABOVE & BEYOND*